

GTE TELEPHONE OPERATIONS

INVESTMENT DETAIL

SERVICE: SWITCHED ACCESS

RATE ELEMENT: TRANSPORT FACILITY

COST SUB-ELEMENT: INTEROFFICE FACILITY - DS-1 TRANSPORT - FIBER

STATE: FLORIDA

<u>EQUIPMENT CATEGORY</u>	<u>MATERIAL</u>	<u>ENGINEERING</u>	<u>INSTALLATION</u>	<u>TOTAL</u>
<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E=B+C+D</u>
18 TOTAL FIBER TRANSPORT (PER ALM)	<u>\$23.23</u>	<u>\$1.45</u>	<u>\$8.20</u>	<u>\$32.88</u>

GTE TELEPHONE OPERATIONS

INVESTMENT DETAIL

SERVICE: SWITCHED ACCESS

RATE ELEMENT: TRANSPORT FACILITY

COST SUB-ELEMENT: INTEROFFICE FACILITY - DS-1 TRANSPORT - COPPER

STATE: FLORIDA

<u>EQUIPMENT CATEGORY</u>	<u>MATERIAL</u>	<u>ENGINEERING</u>	<u>INSTALLATION</u>	<u>TOTAL</u>
<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E=B+C+D</u>
18 TOTAL COPPER TRANSPORT (PER ALM)	<u>\$1,144.59</u>	<u>\$117.95</u>	<u>\$155.10</u>	<u>\$1,417.64</u>

GTE TELEPHONE OPERATIONS

INVESTMENT DETAIL

SERVICE: SWITCHED ACCESS

RATE ELEMENT: TRANSPORT TERMINATION

COST SUB-ELEMENT: DIGITAL TERMINATION - VG - FIBER

STATE: FLORIDA

EQUIPMENT CATEGORY	MATERIAL	ENGINEERING	INSTALLATION	TOTAL
A	B	C	D	E=B+C+D
18 TOTAL DIGITAL FIBER TERMINATION	<u>\$29.50</u>	<u>\$2.55</u>	<u>\$3.29</u>	<u>\$35.34</u>

GTE TELEPHONE OPERATIONS

INVESTMENT DETAIL

SERVICE: SWITCHED ACCESS

RATE ELEMENT: TRANSPORT TERMINATION

COST SUB-ELEMENT: ANALOG TERMINATION - VG - FIBER

STATE: FLORIDA

EQUIPMENT CATEGORY	MATERIAL	ENGINEERING	INSTALLATION	TOTAL
A	B	C	D	E=B+C+D
18 TOTAL ANALOG FIBER TERMINATION	<u>\$309.82</u>	<u>\$8.38</u>	<u>\$33.73</u>	<u>\$351.92</u>

GTE TELEPHONE OPERATIONS

INVESTMENT DETAIL

SERVICE: SWITCHED ACCESS

RATE ELEMENT: TRANSPORT TERMINATION

COST SUB-ELEMENT: DIGITAL TERMINATION - VG - COPPER

STATE: FLORIDA

<u>EQUIPMENT CATEGORY</u> <u>A</u>	<u>MATERIAL</u> <u>B</u>	<u>ENGINEERING</u> <u>C</u>	<u>INSTALLATION</u> <u>D</u>	<u>TOTAL</u> <u>E=B+C+D</u>
18 TOTAL DIGITAL COPPER TERMINATION	<u>\$19.92</u>	<u>\$5.53</u>	<u>\$12.02</u>	<u>\$37.47</u>

GTE TELEPHONE OPERATIONS

INVESTMENT DETAIL

SERVICE: SWITCHED ACCESS

RATE ELEMENT: TRANSPORT TERMINATION

RATE SUB-ELEMENT: ANALOG TERMINATION - VG - COPPER

STATE: FLORIDA

EQUIPMENT CATEGORY A	MATERIAL B	ENGINEERING C	INSTALLATION D	TOTAL E=B+C+D
18 TOTAL ANALOG COPPER TERMINATION	<u>\$300.24</u>	<u>\$11.35</u>	<u>\$42.45</u>	<u>\$354.04</u>

GTE TELEPHONE OPERATIONS

INVESTMENT DETAIL

SERVICE: SWITCHED ACCESS

RATE ELEMENT: TRANSPORT TERMINATION

COST SUB-ELEMENT: DIRECT TANDEM EXPENSE

STATE: FLORIDA

SEPARATIONS CATEGORY A	DIRECT AMOUNT B	EXPENSE TO GROSS PLANT C
1 INVESTMENT		
2 2001 - GROSS PLANT - TANDEM	\$11,380,199	
3 1991 SWITCHED TRANSPORT TERMINATIONS	8,833,786,620	
4 * GROSS PLANT PER TERM (L2/L3*12)	\$0.01545912	
5 GROSS PLANT PER VG CKT (L4*10,560)	\$163.20	
6		
7 EXPENSES		
8 6210 - CENTRAL OFFICE SWITCHING (MTCE)	\$1,450,520	12.75%
9 6560 - DEPREC & AMORT - COE SWITCHING	880,046	7.73%
10 FEDERAL INCOME TAX	368,095	3.23%
11 STATE INCOME TAX	63,010	0.55%
12 TOTAL TAXES	431,105	3.79%
13 RETURN	714,537	6.28%
14		
15 TOTAL DIRECT TANDEM EXPENSE	\$3,476,208	30.55%

* Investment per termination is multiplied by 12 in order to blend with other annual investment amounts shown in the Investment and Cost Data workpapers originally filed with the Commission in support of the proposed below band rates. This spreadsheet requires that cost factors be applied to an amount with the resulting sum divided by twelve to produce a monthly cost.

GTE TELEPHONE OPERATIONS
INVESTMENT AND COST DATA

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SERVICE: SWITCHED ACCESS

RATE ELEMENT: TRANSPORT FACILITY (PER MOU/PER AIRLINE MILE)

STATE: FLORIDA

I. Cost and Salvage Value of Equipment

1. Circuit Equipment Material	\$0.00017587
2. Outside Plant Material	0.00063183
3. Total Material Cost (L1 + L2)	0.00080770
4. Net Salvage Value (Including Cost of Removal)	0.00000651
5. Net Material Cost (L3 - L4)	\$0.00080119

II. Installation Cost

		LABOR HOURS	LABOR RATE
6. Circuit Equipment Engineering Labor	\$0.00005209	0.00000124	\$41.90
7. Outside Plant Engineering Labor	0.00003065	0.00000078	39.45
8. Total Engineering Labor (L6 + L7)	0.00008274		
9. Circuit Equipment Installation Labor	0.00004410	0.00000161	27.39
10. Outside Plant Installation Labor	0.00008260	0.00000304	27.15
11. Total Installation Labor (L9 + L10)	0.00012669		
12. Total Installed Cost (L3 + L8 + L11)	\$0.00101714		

III. Non-Reusable Cost

13. Engineering/Installation Labor Cost (L8 + L11)	\$0.00020943
14. Cost of Removal	0.00000000
15. Total Non-Reusable Cost (L13 + L14)	\$0.00020943

IV. Net Investment

16. Total Net Investment (L12 - L4)	\$0.00101063
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V. Total Annual Cost

		% of Total Investment
17. Circuit Equipment Depreciation	\$0.00002691	9.89%
18. Outside Plant Depreciation	0.00003740	5.02%
19. Return	0.00005754	5.66%
20. Federal and State Income Tax	0.00003298	3.24%
21. Annual Nonrecoverable Cost	0.00002647	2.60%
22. Maintenance	0.00004900	4.82%
23. Administration	0.00000000	0.00%
24. Other Taxes	0.00001688	1.66%
25. Other	0.00000000	0.00%
26. Total Annual Cost (L17...L25)	\$0.00024717	24.30%

VI. Amounts to be Tariffed

		% Unit Cost/ Price	% Unit Cost/ Unit Investment
27. Proposed Non-Recurring Charge	\$0.00000000		
28. Monthly Cost (L26 / 12)	\$0.00002060		
29. Proposed Charge per MOU per Airline Mile	\$0.00002060		
30. Unit Cost/PV Analysis	\$0.00002060	100.00%	24.30%

GTE TELEPHONE OPERATIONS
INVESTMENT AND COST DATA

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SERVICE: SWITCHED ACCESS

RATE ELEMENT: TRANSPORT FACILITY (PER MOU/PER AIRLINE MILE)

STATE: FLORIDA

I. Cost and Salvage Value of Equipment

1. Circuit Equipment Material	\$0.00017587
2. Outside Plant Material	0.00063183
3. Total Material Cost (L1 + L2)	0.00080770
4. Net Salvage Value (Including Cost of Removal)	0.00000651
5. Net Material Cost (L3 - L4)	\$0.00080119

II. Installation Cost

6. Circuit Equipment Engineering Labor	\$0.00005209
7. Outside Plant Engineering Labor	0.00002986
8. Total Engineering Labor (L6 + L7)	0.00008195
9. Circuit Equipment Installation Labor	0.00004410
10. Outside Plant Installation Labor	0.00008260
11. Total Installation Labor (L9 + L10)	0.00012669
12. Total Installed Cost (L3 + L8 + L11)	\$0.00101635

LABOR HOURS	LABOR RATE
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0.00000124	\$41.90
0.00000076	39.45
0.00000161	27.39
0.00000304	27.15

III. Non-Reusable Cost

13. Engineering/Installation Labor Cost (L8 + L11)	\$0.00020864
14. Cost of Removal	0.00000000
15. Total Non-Reusable Cost (L13 + L14)	\$0.00020864

IV. Net Investment

16. Total Net Investment (L12 - L4)	\$0.00100984
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% of Total Investment

V. Total Annual Cost

17. Circuit Equipment Depreciation	\$0.00002691
18. Outside Plant Depreciation	0.00003736
19. Return	0.00005754
20. Federal and State Income Tax	0.00003298
21. Annual Nonrecoverable Cost	0.00002650
22. Maintenance	0.00004900
23. Administration	0.00000000
24. Other Taxes	0.00001688
25. Other	0.00000000
26. Total Annual Cost (L17...L25)	\$0.00024717

9.89%
5.02%
5.66%
3.25%
2.61%
4.82%
0.00%
1.66%
0.00%
24.32%

VI. Amounts to be Tariffed

27. Proposed Non-Recurring Charge	\$0.00000000
28. Monthly Cost (L26 / 12)	\$0.00002060
29. Proposed Charge per MOU per Airline Mile	\$0.00002060
30. Unit Cost/PV Analysis	\$0.00002060

% Unit Cost/ Price	% Unit Cost/ Unit Investment
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100.00%	24.32%
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GTE TELEPHONE OPERATIONS
INVESTMENT AND COST DATA

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SERVICE: SWITCHED ACCESS

RATE ELEMENT: TRANSPORT FACILITY (@ DS-1 LEVEL - FOR ILLUSTRATIVE PURPOSES)

STATE: FLORIDA

I. Cost and Salvage Value of Equipment

1. Circuit Equipment Material	\$660.56
2. Outside Plant Material	2,373.15
3. Total Material Cost (L1 + L2)	3,033.71
4. Net Salvage Value (Including Cost of Removal)	24.44
5. Net Material Cost (L3 - L4)	\$3,009.27

II. Installation Cost

		LABOR HOURS	LABOR RATE
6. Circuit Equipment Engineering Labor	\$195.65	4.67	\$41.90
7. Outside Plant Engineering Labor	115.12	2.92	39.45
8. Total Engineering Labor (L6 + L7)	310.77		
9. Circuit Equipment Installation Labor	165.64	6.05	27.39
10. Outside Plant Installation Labor	310.23	11.43	27.15
11. Total Installation Labor (L9 + L10)	475.86		
12. Total Installed Cost (L3 + L8 + L11)	\$3,820.34		

III. Non-Reusable Cost

13. Engineering/Installation Labor Cost (L8 + L11)	\$786.63
14. Cost of Removal	0.00
15. Total Non-Reusable Cost (L13 + L14)	\$786.63

IV. Net Investment

16. Total Net Investment (L12 - L4)	\$3,795.90
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V. Total Annual Cost

		% of Total Investment
17. Circuit Equipment Depreciation	\$101.06	9.89%
18. Outside Plant Depreciation	140.48	5.02%
19. Return	216.11	5.66%
20. Federal and State Income Tax	123.89	3.24%
21. Annual Nonrecoverable Cost	99.40	2.60%
22. Maintenance	184.05	4.82%
23. Administration	0.00	0.00%
24. Other Taxes	63.38	1.66%
25. Other	0.00	0.00%
26. Total Annual Cost (L17...L25)	\$928.38	24.30%

VI. Amounts to be Tariffed

		% Unit Cost/ Price	% Unit Cost/ Unit Investment
27. Proposed Non-Recurring Charge	\$0.00		
28. Monthly Cost (L26 / 12)	\$77.37		
29. Proposed Monthly Recurring Charge	N/A		
30. Unit Cost/PV Analysis	\$77.37	N/A	24.30%

GTE TELEPHONE OPERATIONS
INVESTMENT AND COST DATA

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SERVICE: SWITCHED ACCESS

RATE ELEMENT: TRANSPORT FACILITY (@ DS-1 LEVEL - FOR ILLUSTRATIVE PURPOSES)

STATE: FLORIDA

I. Cost and Salvage Value of Equipment

1. Circuit Equipment Material	\$660.56
2. Outside Plant Material	2,373.15
3. Total Material Cost (L1 + L2)	3,033.71
4. Net Salvage Value (Including Cost of Removal)	24.44
5. Net Material Cost (L3 - L4)	\$3,009.27

II. Installation Cost

		LABOR HOURS	LABOR RATE
6. Circuit Equipment Engineering Labor	\$195.65	4.67	\$41.90
7. Outside Plant Engineering Labor	112.15	2.84	39.45
8. Total Engineering Labor (L6 + L7)	307.80		
9. Circuit Equipment Installation Labor	165.64	6.05	27.39
10. Outside Plant Installation Labor	310.23	11.43	27.15
11. Total Installation Labor (L9 + L10)	475.86		
12. Total Installed Cost (L3 + L8 + L11)	\$3,817.38		

III. Non-Reusable Cost

13. Engineering/Installation Labor Cost (L8 + L11)	\$783.66
14. Cost of Removal	0.00
15. Total Non-Reusable Cost (L13 + L14)	\$783.66

IV. Net Investment

16. Total Net Investment (L12 - L4)	\$3,792.94
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V. Total Annual Cost

		% of Total Investment
17. Circuit Equipment Depreciation	\$101.06	9.89%
18. Outside Plant Depreciation	140.34	5.02%
19. Return	216.11	5.66%
20. Federal and State Income Tax	123.89	3.25%
21. Annual Nonrecoverable Cost	99.55	2.61%
22. Maintenance	184.05	4.82%
23. Administration	0.00	0.00%
24. Other Taxes	63.38	1.66%
25. Other	0.00	0.00%
26. Total Annual Cost (L17...L25)	\$928.38	24.32%

VI. Amounts to be Tariffed

		% Unit Cost/ Price	% Unit Cost/ Unit Investment
27. Proposed Non-Recurring Charge	\$0.00		
28. Monthly Cost (L26 / 12)	\$77.37		
29. Proposed Monthly Recurring Charge	N/A		
30. Unit Cost/PV Analysis	\$77.37	N/A	24.32%

GTE TELEPHONE OPERATIONS
INVESTMENT AND COST DATA

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SERVICE: SWITCHED ACCESS
RATE ELEMENT: TRANSPORT TERMINATION (PER MOU/PER TERM)

STATE: FLORIDA

I. Cost and Salvage Value of Equipment

1. Circuit Equipment Material	\$0.01033369
2. Outside Plant Material	0.00043692
3. Total Material Cost (L1 + L2)	0.01077061
4. Net Salvage Value (Including Cost of Removal)	0.00013258
5. Net Material Cost (L3 - L4)	\$0.01063804

II. Installation Cost

6. Circuit Equipment Engineering Labor	\$0.00099819
7. Outside Plant Engineering Labor	0.00007260
8. Total Engineering Labor (L6 + L7)	0.00107079
9. Circuit Equipment Installation Labor	0.00132848
10. Outside Plant Installation Labor	0.00015341
11. Total Installation Labor (L9 + L10)	0.00148189
12. Installed Cost - Transport (L3 + L8 + L11)	0.01332329
13. Installed Cost - Tandem	0.01545912
14. Total Installed Cost (L12 + L13)	\$0.02878241

LABOR HOURS	LABOR RATE
----------------	---------------

0.00002382	\$41.90
0.00000184	39.45
0.00004850	27.39
0.00000565	27.15

III. Non-Reusable Cost

15. Engineering/Installation Labor Cost (L8 + L11)	\$0.00255268
16. Cost of Removal	0.00000000
17. Total Non-Reusable Cost (L15 + L16)	\$0.00255268

IV. Net Investment

18. Total Net Investment (L14 - L4)	\$0.02864984
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% of Total Investment

V. Total Annual Cost

19. Circuit Equipment Depreciation	\$0.00244710
20. Outside Plant Depreciation	0.00003328
21. Return	0.00172746
22. Federal and State Income Tax	0.00101961
23. Annual Nonrecoverable Cost	0.00029970
24. Maintenance	0.00112811
25. Administration	0.00000000
26. Other Taxes	0.00023047
27. Other	0.00136504
28. Total Annual Cost (L19...L28)	\$0.00825077

8.70%
5.02%
6.00%
3.54%
1.04%
3.92%
0.00%
0.80%
4.74%
28.67%

VI. Amounts to be Tariffed

29. Proposed Non-Recurring Charge	\$0.00000000
30. Monthly Cost Per Term (L28 / 12)	\$0.00068760
31. Proposed Charge per MOU per Term	\$0.00199760
32. Unit Cost/PV Analysis	\$0.00068760

% Unit Cost/ Price	% Unit Cost/ Unit Investment
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34.42%	28.67%
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GTE TELEPHONE OPERATIONS
INVESTMENT AND COST DATA

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SERVICE: SWITCHED ACCESS
RATE ELEMENT: TRANSPORT TERMINATION (PER MOU/PER TERM)

STATE: FLORIDA

I. Cost and Salvage Value of Equipment

1. Circuit Equipment Material	\$0.01033369
2. Outside Plant Material	0.00043692
3. Total Material Cost (L1 + L2)	0.01077061
4. Net Salvage Value (Including Cost of Removal)	0.00013258
5. Net Material Cost (L3 - L4)	\$0.01063804

II. Installation Cost

6. Circuit Equipment Engineering Labor	\$0.00099819
7. Outside Plant Engineering Labor	0.00006760
8. Total Engineering Labor (L6 + L7)	0.00106579
9. Circuit Equipment Installation Labor	0.00132848
10. Outside Plant Installation Labor	0.00015838
11. Total Installation Labor (L9 + L10)	0.00148686
12. Installed Cost - Transport (L3 + L8 + L11)	0.01332327
13. Installed Cost - Tandem	0.01545912
14. Total Installed Cost (L12 + L13)	\$0.02878239

LABOR HOURS	LABOR RATE
----------------	---------------

0.00002382	\$41.90
0.00000171	39.45
0.00004850	27.39
0.00000583	27.15

III. Non-Reusable Cost

15. Engineering/Installation Labor Cost (L8 + L11)	\$0.00255265
16. Cost of Removal	0.00000000
17. Total Non-Reusable Cost (L15 + L16)	\$0.00255265

IV. Net Investment

18. Total Net Investment (L14 - L4)	\$0.02864981
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% of Total Investment

V. Total Annual Cost

19. Circuit Equipment Depreciation	\$0.00244710
20. Outside Plant Depreciation	0.00003328
21. Return	0.00172746
22. Federal and State Income Tax	0.00101961
23. Annual Nonrecoverable Cost	0.00029970
24. Maintenance	0.00112811
25. Administration	0.00000000
26. Other Taxes	0.00023047
27. Other	0.00136504
28. Total Annual Cost (L19...L28)	\$0.00825077

8.70%
5.02%
6.00%
3.54%
1.04%
3.92%
0.00%
0.80%
4.74%
28.67%

VI. Amounts to be Tariffed

29. Proposed Non-Recurring Charge	\$0.00000000
30. Monthly Cost Per Term (L28 / 12)	\$0.00068760
31. Proposed Charge per MOU per Term	\$0.00199760
32. Unit Cost/PV Analysis	\$0.00068760

% Unit Cost/ Price	% Unit Cost/ Unit Investment
-----------------------	---------------------------------

34.42%	28.67%
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GTE TELEPHONE OPERATIONS
INVESTMENT AND COST DATA

ORIGINAL 4/2/92
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PAGE 4 OF 8

SERVICE: SWITCHED ACCESS

RATE ELEMENT: TRANSPORT TERMINATION (@ VG LEVEL - FOR ILLUSTRATIVE PURPOSES)

STATE: FLORIDA

I. Cost and Salvage Value of Equipment

1. Circuit Equipment Material	\$109.12
2. Outside Plant Material	4.61
3. Total Material Cost (L1 + L2)	113.74
4. Net Salvage Value (Including Cost of Removal)	1.40
5. Net Material Cost (L3 - L4)	\$112.34

II. Installation Cost

		LABOR HOURS	LABOR RATE
6. Circuit Equipment Engineering Labor	\$10.54	0.25	\$41.90
7. Outside Plant Engineering Labor	0.77	0.02	39.45
8. Total Engineering Labor (L6 + L7)	11.31		
9. Circuit Equipment Installation Labor	14.03	0.51	27.39
10. Outside Plant Installation Labor	1.62	0.06	27.15
11. Total Installation Labor (L9 + L10)	15.65		
12. Installed Cost - Transport (L3 + L8 + L11)	140.69		
13. Installed Cost - Tandem	163.20		
14. Total Installed Cost (L12 + L13)	\$303.89		

III. Non-Reusable Cost

15. Engineering/Installation Labor Cost (L8 + L11)	\$26.96
16. Cost of Removal	0.00
17. Total Non-Reusable Cost (L15 + L16)	\$26.96

IV. Net Investment

18. Total Net Investment (L14 - L4)	\$302.49
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V. Total Annual Cost

		% of Total Investment
19. Circuit Equipment Depreciation	\$25.84	8.70%
20. Outside Plant Depreciation	0.35	5.02%
21. Return	18.24	6.00%
22. Federal and State Income Tax	10.77	3.54%
23. Annual Nonrecoverable Cost	3.16	1.04%
24. Maintenance	11.91	3.92%
25. Administration	0.00	0.00%
26. Other Taxes	2.43	0.80%
27. Other	14.41	4.74%
28. Total Annual Cost (L19...L28)	\$87.11	28.67%

VI. Amounts to be Tariffed

		% Unit Cost/ Price	% Unit Cost/ Unit Investment
29. Proposed Non-Recurring Charge	\$0.00		
30. Monthly Cost (L28 / 12)	\$7.26		
31. Proposed Monthly Recurring Charge	N/A		
32. Unit Cost/PV Analysis	\$7.26	N/A	28.67%

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PAGE 4 OF 8

SERVICE: SWITCHED ACCESS

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STATE: FLORIDA

I. Cost and Salvage Value of Equipment

1. Circuit Equipment Material	\$109.12
2. Outside Plant Material	4.61
3. Total Material Cost (L1 + L2)	113.74
4. Net Salvage Value (Including Cost of Removal)	1.40
5. Net Material Cost (L3 - L4)	\$112.34

II. Installation Cost

6. Circuit Equipment Engineering Labor	\$10.54
7. Outside Plant Engineering Labor	0.71
8. Total Engineering Labor (L6 + L7)	11.25
9. Circuit Equipment Installation Labor	14.03
10. Outside Plant Installation Labor	1.67
11. Total Installation Labor (L9 + L10)	15.70
12. Installed Cost - Transport (L3 + L8 + L11)	140.69
13. Installed Cost - Tandem	163.20
14. Total Installed Cost (L12 + L13)	\$303.89

LABOR HOURS	LABOR RATE
----------------	---------------

0.25	\$41.90
0.02	39.45
0.51	27.39
0.06	27.15

III. Non-Reusable Cost

15. Engineering/Installation Labor Cost (L8 + L11)	\$26.96
16. Cost of Removal	0.00
17. Total Non-Reusable Cost (L15 + L16)	\$26.96

IV. Net Investment

18. Total Net Investment (L14 - L4)	\$302.49
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% of
Total
Investment

V. Total Annual Cost

19. Circuit Equipment Depreciation	\$25.84
20. Outside Plant Depreciation	0.35
21. Return	18.24
22. Federal and State Income Tax	10.77
23. Annual Nonrecoverable Cost	3.16
24. Maintenance	11.91
25. Administration	0.00
26. Other Taxes	2.43
27. Other	14.41
28. Total Annual Cost (L19...L28)	\$87.11

8.70%
5.02%
6.00%
3.54%
1.04%
3.92%
0.00%
0.80%
4.74%
28.67%

VI. Amounts to be Tariffed

29. Proposed Non-Recurring Charge	\$0.00
30. Monthly Cost (L28 / 12)	\$7.26
31. Proposed Monthly Recurring Charge	N/A
32. Unit Cost/PV Analysis	\$7.26

% Unit Cost/ Price	% Unit Cost/ Unit Investment
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N/A	28.67%
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RETURN AND INCOME TAX CALCULATIONS

PAGE 1 OF 2

RATE ELEMENT: TRANSPORT FACILITY

STATE: FLORIDA

		REVENUE LIFE	AVERAGE PER YEAR				
TOTAL MATERIAL	\$3,033.71						
LESS: NET SALVAGE	24.44						
NET MATERIAL COST	\$3,009.27						
TOTAL ENGIN & INST	783.77						
TOTAL	\$3,793.05	12	\$316.09				
	YR 1	YR 2	YR 3	YR 4	YR 5	YR 6	YR 7
BEGINNING BALANCE	\$3,817.49	\$3,501.40	\$3,185.31	\$2,869.23	\$2,553.14	\$2,237.05	\$1,920.96
LESS: AVE PER YEAR	316.09	316.09	316.09	316.09	316.09	316.09	316.09
ENDING BALANCE	\$3,501.40	\$3,185.31	\$2,869.23	\$2,553.14	\$2,237.05	\$1,920.96	\$1,604.88
AVERAGE BALANCE	\$3,659.44	\$3,343.36	\$3,027.27	\$2,711.18	\$2,395.09	\$2,079.01	\$1,762.92
X RATE OF RETURN	11.25%	11.25%	11.25%	11.25%	11.25%	11.25%	11.25%
RETURN	\$411.69	\$376.13	\$340.57	\$305.01	\$269.45	\$233.89	\$198.33
RETURN	\$411.69	\$376.13	\$340.57	\$305.01	\$269.45	\$233.89	\$198.33
X FIT FACTOR	0.5151	0.5151	0.5151	0.5151	0.5151	0.5151	0.5151
FIT	\$212.06	\$193.74	\$175.43	\$157.11	\$138.79	\$120.48	\$102.16
RETURN	\$411.69	\$376.13	\$340.57	\$305.01	\$269.45	\$233.89	\$198.33
X SIT FACTOR	0.0582	0.0582	0.0582	0.0582	0.0582	0.0582	0.0582
SIT	\$23.96	\$21.89	\$19.82	\$17.75	\$15.68	\$13.61	\$11.54
TOTAL INCOME TAXES	\$236.02	\$215.63	\$195.25	\$174.86	\$154.47	\$134.09	\$113.70

RETURN AND INCOME TAX CALCULATIONS

PAGE 2 OF 2

RATE ELEMENT: TRANSPORT FACILITY

STATE: FLORIDA

	YR 8	YR 9	YR 10	YR 11	YR 12	AVERAGE PER YEAR
BEGINNING BALANCE	\$1,604.88	\$1,288.79	\$972.70	\$656.61	\$340.53	
LESS: AVE PER YEAR	316.09	316.09	316.09	316.09	316.09	
ENDING BALANCE	\$1,288.79	\$972.70	\$656.61	\$340.53	\$24.44	
AVERAGE BALANCE	\$1,446.83	\$1,130.74	\$814.66	\$498.57	\$182.48	
X RATE OF RETURN	11.25%	11.25%	11.25%	11.25%	11.25%	
RETURN	\$162.77	\$127.21	\$91.65	\$56.09	\$20.53	\$216.11
RETURN	\$162.77	\$127.21	\$91.65	\$56.09	\$20.53	
X FIT FACTOR	0.5151	0.5151	0.5151	0.5151	0.5151	
FIT	\$83.84	\$65.53	\$47.21	\$28.89	\$10.57	
RETURN	\$162.77	\$127.21	\$91.65	\$56.09	\$20.53	
X SIT FACTOR	0.0582	0.0582	0.0582	0.0582	0.0582	
SIT	\$9.47	\$7.40	\$5.33	\$3.26	\$1.19	
TOTAL INCOME TAXES	\$93.32	\$72.93	\$52.54	\$32.16	\$11.77	\$123.89

PAGE 1 OF 1

STATE: FLORIDA

		REVENUE LIFE	AVERAGE PER YEAR					
TOTAL MATERIAL	\$113.74							
LESS: NET SALVAGE	1.40							
NET MATERIAL COST	\$112.33							
TOTAL ENGIN & INST	26.95							
TOTAL	\$139.28	7	\$19.90					
	YR 1	YR 2	YR 3	YR 4	YR 5	YR 6	YR 7	AVERAGE PER YEAR
BEGINNING BALANCE	\$140.69	\$120.79	\$100.89	\$80.99	\$61.10	\$41.20	\$21.30	
LESS: AVE PER YEAR	19.90	19.90	19.90	19.90	19.90	19.90	19.90	
ENDING BALANCE	\$120.79	\$100.89	\$80.99	\$61.10	\$41.20	\$21.30	\$1.40	
AVERAGE BALANCE	\$130.74	\$110.84	\$90.94	\$71.05	\$51.15	\$31.25	\$11.35	
X RATE OF RETURN	11.25%	11.25%	11.25%	11.25%	11.25%	11.25%	11.25%	
RETURN	\$14.71	\$12.47	\$10.23	\$7.99	\$5.75	\$3.52	\$1.28	\$7.99
RETURN	\$14.71	\$12.47	\$10.23	\$7.99	\$5.75	\$3.52	\$1.28	
X FIT FACTOR	0.5151	0.5151	0.5151	0.5151	0.5151	0.5151	0.5151	
FIT	\$7.58	\$6.42	\$5.27	\$4.12	\$2.96	\$1.81	\$0.66	
RETURN	\$14.71	\$12.47	\$10.23	\$7.99	\$5.75	\$3.52	\$1.28	
X SIT FACTOR	0.0582	0.0582	0.0582	0.0582	0.0582	0.0582	0.0582	
SIT	\$0.86	\$0.73	\$0.60	\$0.47	\$0.33	\$0.20	\$0.07	
TOTAL INCOME TAXES	\$8.43	\$7.15	\$5.87	\$4.58	\$3.30	\$2.02	\$0.73	\$4.58

GTE TELEPHONE OPERATIONS

RATE ELEMENT INVESTMENT SUMMARY

TRANSPORT FACILITY (PER MOU/PER AIRLINE MILE)

SOUTHWEST

RATE SUBELEMENT A	SOURCE PAGE B	MATERIAL C	ENGINEERING D	INSTALLATION E	TOTAL F=C+D+E
1 ENTRANCE FACILITY					
2					
3 DS-1 FIBER SAL (per mou/mile)	SUM 1.1, LN 3*	\$0.00027628	\$0.00002637	\$0.00004689	\$0.00034953
4 % FIBER		90.00%	90.00%	90.00%	90.00%
5 FIBER SAL PROPORTION	LN 3*LN 4	0.00024865	0.00002373	0.00004220	0.00031458
6					
7 DS-1 COPPER SAL (per mou/mile)	SUM 1.1, LN 7*	0.00045010	0.00020835	0.00018602	0.00084447
8 % COPPER		10.00%	10.00%	10.00%	10.00%
9 COPPER SAL PROPORTION	LN 7*LN 8	0.00004501	0.00002084	0.00001860	0.00008445
10					
11 TOTAL ENTRANCE FACILITY	LN 5+LN 9	0.00029366	0.00004456	0.00006080	0.00039902
12					
13 % RECOVERED BY TRANSPORT FACILITY		18.00%	18.00%	18.00%	18.00%
14					
15 PROPORTION ENTRANCE FACILITY AMOUNT	LN 11*LN 13	\$0.00005286	\$0.00000802	\$0.00001094	\$0.00007182
16					
17					
18 INTEROFFICE FACILITY					
19					
20 DS-1 FIBER TRANSPORT (per min/mile)	SUM 1.1, LN 20*	\$0.00012934	\$0.00000635	\$0.00003504	\$0.00017073
21 % FIBER		60.00%	60.00%	60.00%	60.00%
22 FIBER TRANSPORT PROPORTION	LN 20*LN 21	0.00007760	0.00000381	0.00002102	0.00010244
23					
24 DS-1 COPPER TRANSPORT (per min/mile)	SUM 1.1, LN 24*	0.00407126	0.00045482	0.00086155	0.00538763
25 % COPPER		40.00%	40.00%	40.00%	40.00%
26 COPPER TRANSPORT PROPORTION	LN 24*LN 25	0.00162850	0.00018193	0.00034462	0.00215505
27					
28 TOTAL INTEROFFICE FACILITY	LN 22+LN 26	\$0.00170611	\$0.00018574	\$0.00036564	\$0.00225749
29					
30					
31 TOTAL INVESTMENT - TRANSPORT FACILITY	LN 15+LN 28	\$0.00175897	\$0.00019376	\$0.00037658	\$0.00232931
32 (per mou/mile)					
33					
34 REFERENCE TO WORKPAPER TS-BB-4		PG 5, LN 3	PG 5, LN 8	PG 5, LN 11	PG 5, LN 12

* Formula for conversion from DS-1 facilities:

(DS-1 Cost/24 Trunks/(17.86 miles)/ Usage per Trunk)*12
(DS-1 Cost/24/(17.86)/10560*12)*12

Example:

(A) DS-1 Fiber Sal \$1,250.56 Material Investment at DS-1 level: LN 3, SUM 1.1.
(B) = (A) / 24 52.11 Cost per circuit based on 24 circuits in 1 DS-1.
(C) = (B) / 17.86 2.92 Entrance Fac cost per mile based on study area ALOH.
(C) = (B) / 10,560 \$0.00027628 Investment per MOU based on 28.8 busy hour CCS.

GTE TELEPHONE OPERATIONS

RATE ELEMENT INVESTMENT SUMMARY

TRANSPORT FACILITY (@ DS-1 LEVEL)

SOUTHWEST

RATE SUBELEMENT A	DETAIL SOURCE	MATERIAL C	ENGINEERING D	INSTALLATION E	TOTAL F=C+D+E
	PAGE B				
1 ENTRANCE FACILITY					
2					
3 DS-1 FIBER SAL	PG 1, LN 18	\$1,250.56	\$119.34	\$212.23	\$1,582.13
4 % FIBER		90.00%	90.00%	90.00%	90.00%
5 FIBER SAL PROPORTION	LN 3*LN 4	1,125.50	107.41	191.01	1,423.92
6					
7 DS-1 COPPER SAL	PG 2, LN 18	2,037.33	943.09	842.02	3,822.44
8 % COPPER		10.00%	10.00%	10.00%	10.00%
9 COPPER SAL PROPORTION	LN 7*LN 8	203.73	94.31	84.20	382.24
10					
11 TOTAL ENTRANCE FACILITY	LN 5+LN 9	1,329.24	201.72	275.21	1,806.16
12					
13 % RECOVERED BY TRANSPORT FACILITY		18.00%	18.00%	18.00%	18.00%
14					
15 PROPORTION ENTRANCE FACILITY AMOUNT	LN 11*LN 13	\$239.26	\$36.31	\$49.54	\$325.11
16					
17					
18 INTEROFFICE FACILITY					
19					
20 DS-1 FIBER TRANSPORT (PER MILE)	PG 3, LN 18	\$32.78	\$1.61	\$8.88	\$43.27
21 % FIBER		60.00%	60.00%	60.00%	60.00%
22 FIBER TRANSPORT PROPORTION	LN 20*LN 21	19.67	0.97	5.33	25.96
23					
24 DS-1 COPPER TRANSPORT (PER MILE)	PG 4, LN 18	1,031.82	115.27	218.35	1,365.44
25 % COPPER		40.00%	40.00%	40.00%	40.00%
26 COPPER TRANSPORT PROPORTION	LN 24*LN 25	412.73	46.11	87.34	546.18
27					
28 TOTAL INTEROFFICE FACILITY	LN 22+LN 26	432.40	47.07	92.67	572.14
29					
30 AVERAGE AIRLINE MILES		17.86	17.86	17.86	17.86
31					
32 TOTAL INTEROFFICE FACILITY	LN 38*LN 30	\$7,722.59	\$840.74	\$1,655.05	\$10,218.38
33					
34					
35 TOTAL INVESTMENT - TRANSPORT FACILITY	LN 15+LN 32	\$7,961.86	\$877.05	\$1,704.59	\$10,543.49
36					
37 REFERENCE TO WORKPAPER TS-BB-4		PG 6, LN 3	PG 6, LN 8	PG 6, LN 11	PG 6, LN 12

GTE TELEPHONE OPERATIONS

RATE ELEMENT INVESTMENT SUMMARY

TRANSPORT TERMINATION (PER MOU/PER TERM)

SOUTHWEST

RATE SUBELEMENT A	SOURCE PAGE B	MATERIAL C	ENGINEERING D	INSTALLATION E	TOTAL F=C+D+E
1 ENTRANCE FACILITY					
2					
3 DS-1 FIBER SAL	SUM 2.1, LN 3/*	\$0.11842424	\$0.01130114	\$0.02009754	\$0.14982292
4 % FIBER		90.00%	90.00%	90.00%	90.00%
5 FIBER SAL PROPORTION	LN 3*LN 4	0.10658182	0.01017102	0.01808778	0.13484063
6					
7 DS-1 COPPER SAL	SUM 2.1, LN 7/*	0.19292898	0.08930777	0.07973674	0.36197348
8 % COPPER		10.00%	10.00%	10.00%	10.00%
9 COPPER SAL PROPORTION	LN 7*LN 8	0.02	0.01	0.01	0.04
10					
11 TOTAL ENTRANCE FACILITY	LN 5+LN 9	0.12587472	0.01910180	0.02606146	0.17103797
12					
13 % RECOVERED BY TRANSPORT TERMINATION		82.00%	82.00%	82.00%	82.00%
14					
15 PROPORTION ENTRANCE FACILITY AMOUNT	LN 11*LN 13	\$0.10321727	\$0.01586348	\$0.02137040	\$0.14025114
16					
17 ENTRANCE FACILITY AT VG LEVEL	LN 15/24	\$0.00430072	\$0.00065264	\$0.00089043	\$0.00584380
18					
19					
20 TRANSPORT TERMINATIONS (PER TERM)					
21					
22 FIBER VG TERM - DIGITAL	SUM 2.1, LN 22/*	\$0.00244184	\$0.00023385	\$0.00040627	\$0.00308196
23 % DIGITAL		80.00%	80.00%	80.00%	80.00%
24 FIBER/DIGITAL COST	LN 22*LN 23	0.00195347	0.00018708	0.00032502	0.00246557
25					
26 FIBER VG TERM - ANALOG	SUM 2.1, LN 26/*	0.02584354	0.00078795	0.00418044	0.03057193
27 % ANALOG		20.00%	20.00%	20.00%	20.00%
28 FIBER/ANALOG COST	LN 26*LN 27	0.00512871	0.00015359	0.00083209	0.00611439
29					
30 TOTAL FIBER INVESTMENT	LN 24+LN 28	\$0.00708218	\$0.00034067	\$0.00115710	\$0.00857996
31					
32					
33 COPPER VG TERM - DIGITAL	SUM 2.1, LN 33/*	\$0.00164903	\$0.00050722	\$0.00147805	\$0.00363430
34 % DIGITAL		80.00%	80.00%	80.00%	80.00%
35 COPPER/DIGITAL COST	LN 34*LN 34	0.00131922	0.00040578	0.00118244	0.00290744
36					
37 COPPER VG TERM - ANALOG	SUM 2.1, LN 37/*	0.02485073	0.00104132	0.00523222	0.03112426
38 % ANALOG		20.00%	20.00%	20.00%	20.00%
39 COPPER/ANALOG COST	LN 37*LN 38	0.00497015	0.00020826	0.00104644	0.00622485
40					
41 TOTAL COPPER INVESTMENT	LN 35+LN 39	\$0.00628937	\$0.00061404	\$0.00222888	\$0.00913229
42					
43					
44 % FIBER		60.00%	60.00%	60.00%	60.00%
45 % COPPER		40.00%	40.00%	40.00%	40.00%
46					
47 FIBER TRANSPORT TERMINATION COST	LN 30*LN 44	0.00424931	0.00020440	0.00069426	0.00514797
48 COPPER TRANSPORT TERMINATION COST	LN 41*LN 45	0.00251575	0.00024562	0.00089155	0.00365292
49					
50 TOTAL TRANSPORT TERMINATION	LN 47+LN 48	\$0.00676506	\$0.00045002	\$0.00158581	\$0.00880089
51					
52 TOTAL TERMINATION BEFORE TANDEM	LN 17+LN 50	\$0.01106578	\$0.00110267	\$0.00247625	\$0.01464469
53					
54 DIRECT TANDEM INVESTMENT	PG 9, LN 5				0.02160216
55					
56 TOTAL TRANSPORT TERMINATION	LN 52+LN 54	\$0.01106578	\$0.00110267	\$0.00247625	\$0.03624685
57 INCLUDING TANDEM INVESTMENT					
58					
59 REFERENCE TO WORKPAPER TS-BB-5		PG 5, LN 3	PG 5, LN 8	PG 5, LN 11	PG 5, LN 12

* Formula for conversion from VG facilities:

VG Investment/10560 MOUS

Example:

Fiber Term - Digital \$25.79 Investment at VG level - Line 22, SUM 2.1.
 \$28.15 / 10,560 \$0.00244184 Investment per MOU based on 28.8 CCS.

GTE TELEPHONE OPERATIONS

RATE ELEMENT INVESTMENT SUMMARY

TRANSPORT TERMINATION (@ VG LEVEL)

SOUTHWEST

RATE SUBELEMENT		DETAIL SOURCE PAGE	MATERIAL	ENGINEERING	INSTALLATION	TOTAL
A		B	C	D	E	F=C+D+E
1	ENTRANCE FACILITY					
2						
3	DS-1 FIBER SAL	PG 1, LN 18	\$1,250.56	\$119.34	\$212.23	\$1,582.13
4	% FIBER		90.00%	90.00%	90.00%	90.00%
5	FIBER SAL PROPORTION	LN 3*LN 4	1,125.50	107.41	191.01	1,423.92
6						
7	DS-1 COPPER SAL	PG 2, LN 18	2,037.33	943.09	842.02	\$3,822.44
8	% COPPER		10.00%	10.00%	10.00%	10.00%
9	COPPER SAL PROPORTION	LN 7*LN 8	203.73	94.31	84.20	382.24
10						
11	TOTAL ENTRANCE FACILITY	LN 5+LN 9	1,329.24	201.72	275.21	1,806.16
12						
13	% RECOVERED BY TRANSPORT TERMINATION		82.00%	82.00%	82.00%	82.00%
14						
15	PROPORTION ENTRANCE FACILITY AMOUNT	LN 11*LN 13	\$1,089.97	\$165.41	\$225.67	\$1,481.05
16						
17	ENTRANCE FACILITY AT VG LEVEL	LN 15/24	\$45.42	\$6.89	\$9.40	\$61.71
18						
19						
20	TRANSPORT TERMINATIONS (PER TERM)					
21						
22	FIBER VG TERM - DIGITAL	PG 5, LN 18	\$25.79	\$2.47	\$4.29	\$32.55
23	% DIGITAL		80.00%	80.00%	80.00%	80.00%
24	FIBER/DIGITAL COST	LN 22*LN 23	20.63	1.98	3.43	26.04
25						
26	FIBER VG TERM - ANALOG	PG 6, LN 18	270.80	8.11	43.93	322.84
27	% ANALOG		20.00%	20.00%	20.00%	20.00%
28	FIBER/ANALOG COST	LN 26*LN 27	54.16	1.62	8.79	64.57
29						
30	TOTAL FIBER INVESTMENT	LN 24+LN 28	\$74.79	\$3.60	\$12.22	\$90.60
31						
32						
33	COPPER VG TERM - DIGITAL	PG 7, LN 18	\$17.41	\$5.36	\$15.61	\$38.38
34	% DIGITAL		80.00%	80.00%	80.00%	80.00%
35	COPPER/DIGITAL COST	LN 34*LN 34	13.93	4.29	12.49	30.70
36						
37	COPPER VG TERM - ANALOG	PG 8, LN 18	262.42	11.00	55.25	328.67
38	% ANALOG		20.00%	20.00%	20.00%	20.00%
39	COPPER/ANALOG COST	LN 37*LN 38	52.48	2.20	11.05	65.73
40						
41	TOTAL COPPER INVESTMENT	LN 35+LN 39	\$66.42	\$6.48	\$23.54	\$96.44
42						
43						
44	% FIBER		60.00%	60.00%	60.00%	60.00%
45	% COPPER		40.00%	40.00%	40.00%	40.00%
46						
47	FIBER TRANSPORT TERMINATION COST	LN 30*LN 44	44.87	2.16	7.33	54.36
48	COPPER TRANSPORT TERMINATION COST	LN 41*LN 45	26.57	2.59	9.41	38.57
49						
50	TOTAL TRANSPORT TERMINATION	LN 47+LN 48	\$71.44	\$4.75	\$16.75	\$92.94
51						
52	TOTAL TERMINATION BEFORE TANDEM	LN 17+LN 50	\$116.85	\$11.64	\$26.15	\$154.65
53						
54	DIRECT TANDEM INVESTMENT	PG 9, LN 5				228.12
55						
56	TOTAL TRANSPORT TERMINATION	LN 52+LN 54	\$116.85	\$11.64	\$26.15	\$382.77
57	INCLUDING TANDEM INVESTMENT					
58						
59	REFERENCE TO WORKPAPER TS-BB-5		PG 6, LN 3	PG 6, LN 8	PG 6, LN 11	PG 6, LN 12

GTE TELEPHONE OPERATIONS

INVESTMENT DETAIL

SERVICE: SWITCHED ACCESS

RATE ELEMENT: TRANSPORT FACILITY/TRANSPORT TERMINATION

COST SUB-ELEMENT: ENTRANCE FACILITY - DS-1 SAL - FIBER

STATE: SOUTHWEST

EQUIPMENT CATEGORY

A

MATERIAL ENGINEERING INSTALLATION

B

C

D

TOTAL

E=B+C+D

18 TOTAL FIBER ENTRANCE FACILITY

\$1,250.56

\$119.34

\$212.23

\$1,582.13

GTE TELEPHONE OPERATIONS

INVESTMENT DETAIL

SERVICE: SWITCHED ACCESS

RATE ELEMENT: TRANSPORT FACILITY/TRANSPORT TERMINATION

COST SUB-ELEMENT: ENTRANCE FACILITY - DS-1 SAL - COPPER

STATE: SOUTHWEST

EQUIPMENT CATEGORY

A

MATERIAL	ENGINEERING	INSTALLATION	TOTAL
B	C	D	E=B+C+D

18 TOTAL COPPER ENTRANCE FACILITY

\$2,037.33

\$943.09

\$842.02

\$3,822.43

GTE TELEPHONE OPERATIONS

INVESTMENT DETAIL

SERVICE: SWITCHED ACCESS

RATE ELEMENT: TRANSPORT FACILITY

COST SUB-ELEMENT: INTEROFFICE FACILITY - DS-1 TRANSPORT - FIBER

STATE: SOUTHWEST

EQUIPMENT CATEGORY

A

MATERIAL ENGINEERING INSTALLATION TOTAL

B

C

D

E=B+C+D

18 TOTAL FIBER TRANSPORT (PER ALM)

\$32.78

\$1.61

\$8.88

\$43.27